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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/538,805	03/30/2000	Jay S. Walker	99-077	7826
22927	7590	02/25/2005	EXAMINER	
WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			CUFF, MICHAEL A	
			ART UNIT	PAPER NUMBER
			3627	

DATE MAILED: 02/25/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/538,805

Applicant(s)

WALKER ET AL.

Examiner

Michael Cuff

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 December 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-56, 69, 70 and 75 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-56, 69, 70 and 75 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-17, 22-24, 27-29, 32-39, 41-56, 69 and 70 are rejected under 35 U.S.C. 102(b) as being anticipated by www.columbiahouse.com.

www.columbiahouse.com, dated 12/21/1996, shows an online catalogue (retailer, visit retailer online). There are several deals or subscriptions offered, which have been determined by a controller. The customer is required to make a plurality of purchases (example, 6 videos over three years for \$19.95 each). Each purchase occurs during the visit to the retailer. The purchases are tracked for compliance. From the information available, a penalty or payment for videos not ordered is inherent. The 10 day cancellation policy reads on receiving a second or modified proposal from the customer. No deal or subscription is the established terms based on both proposals.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 18-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over bestbuy.com and physical stores in view of www.columbiahouse.com.

Bestbuy.com shows all of the limitations of the claims except for specifying the use a subscription plan.

Bestbuy.com shows an Internet retail location and many physical store locations. www.columbiahouse.com teaches, an online catalogue (retailer, visit retailer online). There are several deals or subscriptions offered, which have been determined by a controller in order to provide an incentive to get a commitment to buy products over a period of time. The customer is required to make a plurality of purchases (example, 6 videos over three years for \$19.95 each). Each purchase occurs during the visit to the retailer. The purchases are tracked for compliance. From the information available, a penalty or payment for videos not ordered is inherent. The 10 day cancellation policy reads on receiving a second or modified proposal from the customer. No deal or subscription is the established terms based on both proposals.

Based on the teaching of www.columbiahouse.com, it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to modify the bestbuy.com and physical stores to incorporate the subscription plan of columbiahouse.com in order to provide an incentive to get a commitment to buy products over a period of time.

Claims 25, 26, 30, 31, 40 and 75 are rejected under 35 U.S.C. 103(a) as being unpatentable over www.columbiahouse.com.

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www.columbiahouse.com shows all of the limitations of the claims except for specifying the use different arrangements of penalties and specific stores.

The examiner takes Official Notice that these minor payment variations and that supermarkets sell videos is old and well known in the art in order to maximize revenue.

Based on the discussion above, it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to modify the www.columbiahouse.com system to incorporate the use different arrangements of penalties and specific stores in the art in order to maximize revenue.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Michael Cuff whose telephone number is (703) 308-0610 or, after 4/13/05, (571)272-6778. The examiner can normally be reached on 8:00 to 5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert Olszewski can be reached on (703) 308-5183. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Michael Cuff 2/22/05

Michael Cuff
February 22, 2005